

Audit Review Checklist -- Section A

Audit Standards And Report Elements

Name of Agency _____

Audit Period _____

1. Determine the applicable audit standards for the type of agency and nature of funding:

Type	Characteristics of the agency	Applicable Audit Standards
<input type="checkbox"/> 1	Non-Profit Organization which expended more than \$300,000 in federal financial assistance	Generally Accepted Auditing Standards (gaas) <i>Government Auditing Standards (GAS)</i> OMB Circular A-133 (A-133) <i>Provider Agency Audit Guide (PAAG)</i>
<input type="checkbox"/> 2	Non-Profit Organization, Tribe, or Local Government which expended less than \$300,000 in federal financial assistance or For Profit Organization	Generally Accepted Auditing Standards (gaas) <i>Government Auditing Standards (GAS)</i> <i>Provider Agency Audit Guide (PAAG)</i>
<input type="checkbox"/> 3	Local Government or Tribe which expended more than \$300,000 in federal financial assistance	Generally Accepted Auditing Standards (gaas) <i>Government Auditing Standards (GAS)</i> OMB Circular A-133 (A-133) <i>State Single Audit Guidelines (SSAG)</i>

2. Determine whether the audit materials are complete:

Report elements to be sent to funding agency (and source of requirement for this element):	Type 1 <input type="checkbox"/>	Type 2 <input type="checkbox"/>	Type 3 <input type="checkbox"/>
1. Opinion on the financial statements (gaas)			
2. Financial statements and notes thereto (gaas)			
3. Schedule of expenditures of federal awards (A-133)			
4. Report on compliance and internal control over financial reporting based on an audit of financial statements performed in accordance with <i>Government Auditing Standards (GAS)</i>			
5. Report on compliance with requirements applicable to each major program and internal controls over compliance in accordance with OMB Circular A-133 (A-133)			
6. Schedule of findings and questioned costs, including a summary of the auditor's results (A-133) (See Note 1)			
7. Summary schedule of prior audit findings (A-133) (See Note 1)			
8. Data collection form (A-133)			
9. Additional report on immaterial noncompliance and other items not required to be reported according to A-133 (management letter) or assurance one was not issued (A-133, PAAG, and SSAG) (See Note 1)			
10. Agency's response/corrective action plan for each audit issue (A-133, PAAG, and SSAG)			

Report elements to be sent to funding agency (and source of requirement for this element):	Type 1 <input type="checkbox"/>	Type 2 <input type="checkbox"/>	Type 3 <input type="checkbox"/>
11. Assurance that the audit was in conformance with the <i>State Single Audit Guidelines</i> (SSAG) (See Note 2)			
12. Assurance that the audit was in conformance with the <i>Provider Agency Audit Guide</i> (PAAG) (See Note 2)			
13. Summary of audit results (PAAG, page 27.8) (See Note 3)			
14. Disclosure of Adjustments to Reported Expenses Checklist (PAAG, page 27.1) (See Note 4)			
15. Supplemental Schedule and Reconciliation of Audited Expense to Contract Expense (PAAG, page 27.3) (see Note 5)			
16. Supplemental schedule for group homes and child caring institution facilities (applicable only if the agency operates such facilities) (PAAG, pages 27.4 & 104-115)			

Notes:

1. Noncompliance and internal control weaknesses identified in the current audit and uncorrected prior year audit findings need to be reported to the funding agency. These issues can be reported in a schedule of findings and questioned costs, a summary schedule of prior audit findings, and/or a management letter.

2. The audit report needs to show that the audit was in conformance with the applicable state requirements – the *State Single Audit Guidelines* (SSAG) or the *Provider Agency Audit Guide* (PAAG) -- since these documents require certain audit procedures beyond those in A-133 or *Government Auditing Standards*. For A-133 audits, this assurance can be provided by including references to the SSAG or the PAAG in the auditor's reports on internal controls and compliance based on the A-133 audit. For audits in accordance with the PAAG, but not A-133, the assurance should be provided in a report on compliance with the state's general compliance requirements.

3. The PAAG's Summary of Audit Results can be omitted if the materials include the Data Collection Form and the summary of auditor's results that are required by A-133. However, the assurance that a management letter was not issued is in the PAAG's Summary of Audit Results, and this assurance still needs to be provided so the funding agency knows that the reason it didn't get a management letter was that one was not issued.

4. The Disclosure of Adjustments to Reported Expenses Checklist can be omitted. However, auditors need to continue to test reconciliations and report any findings of providers not performing timely, adequate reconciliations in the appropriate auditor opinion or in a management letter.

5. The Supplemental Schedule and Reconciliation of Audited Expense to Contract Expense can be omitted for funding direct from the Departments of Health and Family Services and Corrections. However, the Department of Workforce Development and other granting agencies continue to rely on the information in these schedules. The department recommends omitting the schedule only if the agency/auditor has confirmed with each granting agency that the schedule is not needed.